

UNITED STATES DISTRICT COURT
SOUTHERN DISTRICT OF TEXAS
HOUSTON DIVISION

DAVE CARLTON and SHARON
KEGERREIS, Individually and on Behalf of
All Others Similarly Situated,

Plaintiff,

v.

FRED CANNON, JOHN K. KARNES, and
VINOD KHOSLA, et al.,

Defendants.

Case No. 4:15-cv-00012

**LEAD PLAINTIFFS' NOTICE OF SUPPLEMENTAL AUTHORITY
IN SUPPORT OF OPPOSITION TO DEFENDANTS' MOTIONS TO DISMISS**

Lead Plaintiffs respectfully submit this Notice of Supplemental Authority to advise the Court of United States District Judge Lee H. Rosenthal's recent decision in *Kohut v. KBR, Inc., et al.*, Case No. 4:14-cv-01287, Docket No. 76 (S.D.T.X. September 3, 2015) ("KBR"), attached as Exhibit A. In *KBR*, the executive defendants touted the certain contracts as being key to KBR, Inc.'s financial performance and highly profitable. *Id.* at 26, 42. The Court held that these statements were materially false and/or misleading, and made with scienter because "the Individual Defendants touted the contracts knowing that no design drawings were used in estimating costs . . ." *Id.* at 30, 53. Here, Lead Plaintiffs allege that Defendants' statements similarly lacked a reasonable basis in fact.

Dated: October 5, 2015

Respectfully Submitted,

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